

E-017/M-89-436 ORDER CLOSING DOCKETS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson  
Cynthia A. Kitlinski  
Norma McKanna  
Robert J. O'Keefe  
Patrice M. Vick

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of Otter Tail  
Power Company's Request for  
Approval of Two New Contracts on  
its Bulk Interruptible Service  
Tariff

ISSUE DATE: December 24, 1990

DOCKET NO. E-017/M-89-436  
E-017/M-89-529  
E-017/M-89-1130

In the Matter of Otter Tail  
Power Company's Request for  
Approval of a Modification of  
its Bulk Interruptible Service  
Tariff

ORDER CLOSING DOCKETS

In the Matter of Otter Tail  
Power Company's Request for  
Approval of the Renewal of an  
Amended Bulk Interruptible  
Service Contract

**PROCEDURAL HISTORY**

On June 9, 1989, Otter Tail Power Company (Otter Tail or the Company) filed a request for approval of two new contracts for service under its bulk interruptible service tariff, a flexible rates tariff available to customers with access to alternative energy sources. (The 436 Docket). The two customers with whom the Company had contracted were Perham Ag Processing and Research Center and Quadrant Company.

On July 17, 1989, the Company filed a request for approval of three revisions to its bulk interruptible service tariff. (The 529 Docket).

On December 12, 1989, the Company filed a request to modify and renew its bulk interruptible service contract with Mid-America Dairymen, Inc. (The 1130 Docket).

On March 29, 1990, the Governor signed new legislation, now codified at Minn. Stat. § 216B.162 (1990), which permitted competitive electric rates and specified the terms and conditions under which they may be offered. At the time the new statute

came into effect, the Commission had not yet considered the above three petitions regarding the Company's bulk interruptible service tariff and contracts.

On October 22, 1990, the Commission consolidated the above three dockets and issued its ORDER REQUIRING NEW TARIFF AND CONTRACT FILINGS in this matter. In that Order the Commission required the Company to file a new bulk interruptible service tariff which would conform to the requirements of the new flexible electric rate statute. The Company was also directed to bring all bulk interruptible service contracts which had not yet been approved into conformity with the new law. Finally, the Commission ordered the Company to file two information lists regarding bulk interruptible service customers. The first list would contain all customers currently receiving bulk interruptible service, the size of each customer's load, the source of effective competition for each customer, and the expiration date of each contract. The second list would name all customers the Company considered eligible for bulk interruptible rates.

On November 26, 1990, Otter Tail submitted compliance filings in response to the Commission's October 22 Order. The Company also requested approval of a new tariff, entitled Competitive Rate Schedule - Large General Service, to replace its bulk interruptible service tariff. Finally, the Company submitted two contracts for Commission approval, one a renewal with Mid-America Dairymen, Inc. and one a new contract with Quadrant Company. Perham Ag Processing and Research Center did not sign an amended contract because it wished to be placed on a different type of rate.

On December 11, 1990, the Commission met to consider the Company's filings.

### **FINDINGS AND CONCLUSIONS**

The Commission finds that complete and thorough consideration of the Company's proposed new tariff will require a separate Commission review after an opportunity for the parties to comment. The Commission will therefore close the old docket (the 529 docket) which concerned the former bulk interruptible service tariff and will assign a new docket number for consideration of the proposed new tariff.

The Commission will defer consideration of the three original contracts, two of which have been renewed or revised, until there has been an opportunity for comment and the proposed competitive rate schedule tariff has been decided upon. Because each of the three contracts involves significantly different issues from the

other, each contract should be considered separately under its own docket number. The Commission will therefore close the 436 and the 1130 dockets and will open three new, separate dockets for consideration of the contracts with Mid-America Dairymen, Inc., Perham Ag Processing and Research Center, and Quadrant Co.

The Commission finds that the Company's compliance filings fulfill the requirements of the October 22, 1990 Order. The Commission will accept the Company's compliance filings.

#### ORDER

1. Docket No. E-017/M-89-529, Otter Tail's request for a modification of its bulk interruptible service tariff, is hereby closed. Consideration of the Company's proposed new tariff, Competitive Rate Schedule - Large General Service, shall be under a new docket, No. E-017/M-90-1017.
2. Docket No. E-017/M-89-436, Otter Tail's request for approval of two new contracts, is hereby closed. Consideration of the contracts under this docket shall be continued under two new dockets, No. E-017/M-90-1019 (regarding Perham Ag Processing and Research Center) and No. E-017/M-90-1020 (regarding Quadrant Co.).
3. Docket No. E-017/M-89-1130, Otter Tail's request for approval of a renewal of an amended contract, is hereby closed. Consideration of the contract under this docket, with Mid-America Dairymen, Inc., shall be continued under a new docket, No. E-017/M-90-1018.
4. Otter Tail Power's compliance filings consisting of two bulk interruptible service customer lists are hereby accepted.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)